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Torfyanaya Promyshlennost', No 11, 1951.

USSR OUTPUT OF PEAT MACHINERY INCREASES WHILE COSTS DECREASE

I. A. Yakobson

From 1946 through 1950, plants of Glavtorfmash (Main Administration of Peat Machinery) achieved a great deal in assuring an increased output, particularly of peat equipment and spare parts, and in lowering costs of production.

The Five-Year Plan for gross production was fulfilled in 4 years and 7 months. There was a steady improvement in quality, as well as in quantity. During 1951, the volume of over-all production for Glavtorfmash in 5.3 times that of the 1940 level and three times that of the 1946 level.

The plan for labor productivity has been exceeded considerably. The production level per worker in 1950 was 172.8 percent of the 1946 level as against a Five-Year Plan goal of 138.4 percent. The improvement of technological processes, the organization of labor, and the increased level of mechanization in production have assured a considerable decrease in the use of manual labor in the manufacture of machinery, which may be summed up for different machines as follows:

PK-2 crane -- 3.5 times below the 1946 level

Excavator -- 3 times below the 1946 level

Bucket for PK-2 crane -- 4.5 times below the 1946 level

Molding machine on caterpillar tread -- 2.7 times below the 1946 level

UMPF-4 -- 2.3 times below the 1947 level

At the same time, the norms for expenditure of materials and overhead expenses as well as losses through spoilage decreased. The outlay for overhead expenses per 1,000 rubles' worth of gross production was as follows (in rubles):

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	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u>
Plant expenditures	198	164.6	144	127
Shop expenditures	315	293	270	236
Total	513	457.6	414	363
Percent	100	89.5	80.5	70.5

Losses through spoilage in 1950 were 20.8 percent below those for 1949.

The improvements indicated above have assured a regular decrease in the production costs of equipment and spare parts. In 1950, production costs fell below the 1948 level as follows (in percent):

PK-2 crane	24	UMPF-4 [gathering]	29
TE-2 excavator	35	Hoppers	24.5
DDM-5 [draining]	35.5	TUM [conveyer]	22
KPK-2 bucket	29	OF [storing]	32.5

In the first half of 1951, production costs have fallen 12.5 percent, as compared with the 1950 level.

Wholesale prices established in 1950 averaged 20-25 percent below the 1948 level. Thus, the government task of lowering wholesale prices has been fulfilled and even considerably exceeded. However, the Glavtorfmash plants could lower production costs to a much greater extent. At present, the directors of Glavtorfmash are not establishing a check on the efficient use of equipment, the economical consumption of materials, and the curtailment of unproductive expenditures.

The Ivtorfmash Plant successfully fulfilled the plan for production costs in 1950, but in the first half of 1951 production costs of commercial products exceeded the plan 3.7 percent.

The production costs for the TPD-4a and TPD-5 peat pumps, as well as for cast iron, cast steel, and cast bronze, were higher than the reported costs for 1950. This was the result of a failure to fulfill the first-quarter plan and a general deterioration in the work of the plant.

The Leningrad Machinery Plant continues to lag in completing the plan, and its production costs for commercial products are 1.3 percent above plan.

Plant managements continue to pay more attention to quantitative indexes and less to qualitative indexes and neglects, in particular, questions of production costs.

Cost accounting has not yet become an organic part of the plants' work. The Ivtorfmash Plant and the Plant imeni 1 Maya have converted a number of shops to cost accounting, but this work is still in the introductory stages. The other plants pay little attention to this important question.

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